

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN**

UNITED STATES OF AMERICA	§	Claim No: 1999A16372
	§	
vs.	§	
	§	
Phyllis R. Farr		

<b>COMPLAINT</b>
------------------

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE:

The United States of America, plaintiff, alleges that:

**Jurisdiction**

1. This Court has jurisdiction over the subject matter of this action pursuant to Article III, Section 2, U.S. Constitution and 28 U.S.C. § 1345.

**Venue**

2. The defendant is a resident of Wayne County, Michigan within the jurisdiction of this Court and may be served with service of process at 9620 Grandville, Detroit, Michigan 48228.

**The Debt**

3. The debt owed the USA is as follows:

A. Current Principal ( <i>after application of all prior payments, credits, and offsets</i> )	\$2,009.14
B. Current Capitalized Interest Balance and Accrued Interest	\$2,538.59
C. Administrative Fee, Costs, Penalties	\$0.00
D. Credits previously applied ( <i>Debtor payments, credits, and offsets</i> )	\$0.00
E. Attorneys fees	\$0.00
<b>Total Owed</b>	<b>\$4,547.73</b>

The Certificate of Indebtedness, attached as Exhibit A", shows the total owed excluding

attorney's fees and CIF charges. The principal balance and the interest balance shown on the Certificate of Indebtedness is correct as of the date of the Certificate of Indebtedness after application of all prior payments, credits, and offsets. Prejudgment interest accrues at the rate of 8.000% per annum.

**Failure to Pay**

4. Demand has been made upon the defendant for payment of the indebtedness, and the defendant has neglected and refused to pay the same.

WHEREFORE, USA prays for judgment:

A. For the sums set forth in paragraph 3 above, plus prejudgment interest through the date of judgment, all administrative costs allowed by law, and post-judgment interest pursuant to 28 U.S.C. § 1961 that interest on the judgment be at the legal rate until paid in full;

B. For attorneys' fees to the extent allowed by law; and,

C. For such other relief which the Court deems proper.

Respectfully submitted,

By: s/Charles J. Holzman (P35625)  
Holzman Corkery, PLLC  
Attorneys for Plaintiff  
Tamara Pearson (P56265)  
28366 Franklin Road  
Southfield, Michigan 48034  
(248) 352-4340  
usa@holzmanlaw.com

U.S. DEPARTMENT OF EDUCATION  
SAN FRANCISCO, CALIFORNIA

CERTIFICATE OF INDEBTEDNESS

Phyllis R. Farr  
9620 Grandville  
Detroit, MI 48228-0000

SSN:

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 05/07/99.

On or about 06/01/2189, the borrower executed promissory note(s) to secure loan(s) of \$2,604.00 from National City Bank Student Loan Processing Center, East Lansing MI at 8.00 percent interest per annum. This loan obligation was guaranteed by Great Lakes Higher Education Corporation and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 CFR Part 682). The holder demanded payments according to the terms of the note(s), and credited \$0.00 payments to the outstanding principle owed on the loan(s). The borrower defaulted on the obligation on 06/16/92 and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,796.12 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 07/12/95 assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$1,245.00 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:

Principal:	\$2,009.14
Interest:	\$627.00
Administrative/Collection Costs	\$0.00
Late Fees:	\$0.00
Total debt as of 05/07/99:	\$2,636.14

Interest accrues on the principal shown here at the rate of \$0.44 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 6/27/99

Name: Linda Thadde

Title: Loan Analyst

Branch: Litigation

JUN 9 2

STAFFORD LOAN APPLICATION AND PROMISSORY NOTE

62599 (18a)

## SECTION 1-TO BE COMPLETED BY THE BORROWER "IMPORTANT-READ THE INSTRUCTIONS CAREFULLY"

1. Social Security Number 1	2. Last Name Phyllis	First Name FARR	Middle Initial R	3. Birthdate												
4. Permanent Home Address 9620 Grandville		City, State, Zip Code Detroit 48228		5. Area Code/Telephone No. 313-2723841												
6. United States Citizenship Status (Check One) <input checked="" type="checkbox"/> a. U.S. Citizen/National <input type="checkbox"/> b. Eligible non-citizen (Alien #) (Include COPY of front and back of card) <input type="checkbox"/> c. Neither of the above	7. You are a permanent resident of what state? Mo. Year Michigan Since: 5/18/71		8. State of Driver's License Mich Since: 1-2													
9. Loan Period From Mo. Year To Mo. Year 8/17/90 To 5/20/91	10. Loan Amount Requested \$ 2625	11. Major course of study Psychology	12. List post secondary institutions you have attended including dates None													
13. Have you ever defaulted on a Stafford Loan, PLUS/SLS or Consolidation Loan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", see instruction		14. Have you received a Stafford Loan, PLUS/SLS or Consolidation Loan for a period of enrollment before July 1, 1988? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No														
15. List below all Stafford Loan, PLUS/SLS and Consolidation Loans. Do not include Perkins (NDSL) or HEAL Loans. Continue on a separate sheet if necessary. If none write "NONE"																
<table border="1"> <thead> <tr> <th>Name of Lender</th> <th>City and State of Lender</th> <th>Loan Type</th> <th>Loan Period Beginning Date</th> <th>Interest Rate</th> <th>Unpaid Balance</th> </tr> </thead> <tbody> <tr> <td>None</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Name of Lender	City and State of Lender	Loan Type	Loan Period Beginning Date	Interest Rate	Unpaid Balance	None					
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None																
16. Wisconsin Residents Only. If married spouse's name and address.																
17a. Parent or Guardian (if deceased, other relative)																
Name: EDNA FARR		Relationship: mother		Address: 9620 Grandville												
City/State/Zip: DET. MICH		Since: 1967		Area Code/Telephone No.: 313-2723841												
Place and City of Employment: MICH DET																
17b. Other Relative (not living at 17a or 17c or d)		Name: Sharon Farr		Relationship: sister												
Address: 16177 Indiana		City/State/Zip: DET. MI 48223		Since: 1987												
Area Code/Telephone No.: 313-2723841		Place and City of Employment: DET. MI														
17c. Other Relative (not living at 17a or 17b or c)		Name: BARBARA FARR		Relationship: sister												
Address: 16177 Indiana		City/State/Zip: DET. MI 48223		Since: 1987												
Area Code/Telephone No.: 313-2723841		Place and City of Employment: DET. MI														

## Promissory Note for a Stafford Loan

I, Promise To Pay I, called Maker identified in Section 1, Item 2 and "Endorser," if any, identified in Section 1, Item 18c, promise to pay to the lender identified in Section 3, Item 35, when this note becomes due as set forth in paragraph 6 (on reverse side), the sum of

Two thousand six hundred twenty five DOLLARS  
18a. Requested Loan Amount - Must be the same as item 10  
\$2625.00 or such lesser amount as is advanced to me and identified to me on the Stafford Loan Disclosure Statement, plus interest computed at the applicable rate disclosed in paragraph 3 (on reverse side) and on the Stafford Loan Disclosure Statement. If I am not satisfied with the terms of the loan on the Stafford Loan Disclosure Statement, I may cancel this agreement. I agree to contact my lender immediately and I will not cash any loan check that has been released to me. I agree to check the Stafford Loan Disclosure Statement as soon as I get it and to let my lender know if anything looks wrong or if I have any questions. My signature certifies that I have read and agree to the conditions and authorizations stated in the "Borrower Certification" printed on the reverse side.

NOTICE TO THE MAKER: DO NOT SIGN THIS BEFORE YOU READ THE WRITING ON THE REVERSE SIDE. EVEN IF OTHERWISE ADVISED, YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT. MAKER AND ENDORSER ACKNOWLEDGE RECEIPT OF AN EXACT COPY OF THIS NOTE AND THE STATEMENT OF BORROWER'S RIGHTS AND RESPONSIBILITIES.

18b. Maker's Signature: Phyllis R. Farr (Seal) 6-21-89 Date  
18c. Endorser's Signature: Edna Farr (Seal) 6-21-89 Date  
Endorser's Name (Please Print): EDNA FARR  
Endorser's Soc. Sec. No.: 9620 Grandville  
Endorser's Address: DET. MI 48223

## SECTION 2-TO BE COMPLETED BY THE SCHOOL (See back of "School Copy C" for Instructions)

19. Name of School Alabama State University		20. Address 915 S Jackson Montgomery, AL 36195		21. Area Code/Telephone No. 205-293-4325
22. School Code 001005	23. Enrollment Status Full-time	24. Dependency Dep	25. Loan Period From Mo. Day Year To Mo. Day Year 8 23 89 5 12 90	26. Grade 1
27. Anticipated Grad. Mo. Year 5-93	28. Est. Cost of 1st Year \$ 6496			
29. Est. Fin. Aid \$ 2150	30. E.F. Contribution \$ 1742	31. Approved Loan Amount \$ 2625 (2604)	32. 1st Disbursement Date Mo. Day Year 9-23-89	33. 2nd Disbursement Date Mo. Day Year 1-8-90

I have read and understand the terms of the "School's Certification" printed on the REVERSE SIDE of this application.

Signature of School Official: Nadine Tyus Print Name and Title: Nadine Tyus, Fin. Aid Counselor Date: 10-05-89

## SECTION 3-TO BE COMPLETED BY THE LENDER

35. Name of Lender National City Bank Student Loan Processing Center		36. Street Address East Lansing, MI 48826-1448		37. Lender Code 808877
38. City, State, Zip Code East Lansing, MI 48826-1448		39. Area Code/Telephone No. 1-800-328-4143		40. 1st Disbursement Amount \$
41. 2nd Disbursement Amount \$		42. Total Amount Approved \$		

43. Signature of Student Loan Official: Wanda Kocot Print Name and Title: Wanda Kocot, Consumer Credit Officer Date: 10-05-89

LENDER COPY A

UPON SCHOOL COMPLETION MAIL ONLY GREAT LAKES COPY TO: Student Loan Originator, C  
P.O. Box 1448, East Lansing, MI 48826

OCT 12 1989

I CERTIFY UNDER PENALTY OF PERJURY  
THAT THIS IS A TRUE AND EXACT COPY  
OF THE ORIGINAL PROMISSORY NOTE

Sara Fitzgerald 5-7-99  
NAME DATE